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CENTRAL INTELLIGENCE AGENCY

REPORT NO. [REDACTED]

## INFORMATION REPORT

CD NO.

COUNTRY Austria/Yugoslavia

DATE DISTR. 20 Oct. 1949

SUBJECT Yugoslav Commercial Attaché in Vienna

NO. OF PAGES 2

25X1A PLACE [REDACTED]  
ACQUIRED [REDACTED]NO. OF ENCLS.  
(LISTED BELOW)

25X1C DATE OF INFO. [REDACTED]

SUPPLEMENT TO  
REPORT NO.

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1. On 2 August 1949, Nikola Ljubisic, Yugoslav Commercial Attaché in Vienna, received a priority request from the Yugoslav Ministry of Mines to procure dynamite caps which were urgently needed by the Ministry's coal mining section. Ljubisic's deputy, Safet Hadzic, arranged through Technopromet, Yugoslav purchasing agency in Vienna, to purchase 400,000 dynamite caps at a total cost of \$39,200 (calculated at the legal rate of schillings to the dollar) from Schaffler & Co., Vienna XV, Sturzasse 34. Hadzic received the caps on that same day (2 August 1949) from the Schaffler factory in Winzendorf, Lower Austria, loaded 100,000 of them into his car, and drove to Maribor, where he delivered them to a representative of the Ministry of Mines.
2. USIA has apparently chosen to ignore the Tito-Cominform rift in its present program of liquidating its surplus stocks, and recently several USIA departments have approached Yugoslav commercial representatives in Vienna regarding the sale of USIA goods. A/O Avtovelo has offered the Yugoslavs 20 motor-driven railroad section cars at 30,000 schillings each.\* The Central Commercial Bureau at Vienna I, Stalinplatz 10, is trying to sell all or part of a 1,000 ton lot of sheet metal now stored at a Schmidhuetten Krens warehouse.
3. Johann Haselgruber has recently made several offers to Yugoslav purchasing agents regarding the sale of large stocks of machinery and other items now held in the Western Zones of Germany; he proposes to ship these goods to Yugoslavia via Antwerp.\*\* Haselgruber is quoted as saying that during recent weeks he has done a large volume of business with the Soviets and during August 1949 he sold them an estimated 6,000 tons of goods which originated in western Austria. Haselgruber is said to maintain offices at Vienna VIII, Lenaugasse 10; at Linz, Hanriederstrasse 26; at Viktoriastrasse 33, Dusseldorf; and at the Hotel Kaiserhof, Essen, Germany, where his representative is one von Appel.
4. Dr. Essl R. Frank, residing at Vienna I, Ebendorferstrasse 6, is now trying to sell German Army rifles and aircraft engines to the Yugoslavs through a commercial agent, one Mato Slavnovic.

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5. To date, an estimated total of 1,500 tons of iron rails has been shipped by barge to Yugoslavia in accordance with terms of USIA's contract with Franjo Ruppan, export-import firm in Trieste.\*\*\*
6. Austrian and Yugoslav commercial representatives are to meet in Belgrade on 15 September 1949 to prepare a new commercial agreement between their countries.

25X1A \* [REDACTED] Comment: USIA has been trying to sell these motor-driven railroad section cars for some time (see [REDACTED]) 25X1A

25X1A \*\* [REDACTED] Comment: For previous reports on Haselgruber's negotiations with the 25X1A  
25X1A Yugoslavs, see [REDACTED]

25X1A \*\*\* [REDACTED] Comment: Details of the USIA-Ruppan contract were given in [REDACTED].

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